

Comments on Implementation and Reauthorization of the Personal Work Responsibility and Work Opportunity Reconciliation Act of 1996

Presented to the Senate Indian Affairs Committee
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by the

Confederated Salish and Kootenai Tribes of the Flathead Indian Reservation

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Introduction

Good morning, I am Teresa Wall-McDonald, an enrolled member of the Confederated Salish and Kootenai Tribes (CSKT) in Montana. I am the Director of the Tribes' Department of Human Resources Development (DHRD) which includes many of the supportive services necessary to achieve family success. I have been in this position since October 1998 and am here representing the CSKT in their support of and experience with Tribal TANF.

It is an honor and a privilege to appear before you today and discuss what works best for Indian people in their quest for family stability and self-sufficiency.

CSKT took on Tribal TANF out of genuine concern for our people. We know that TANF is a program about children and employment. This philosophy impacts our strategy, service approach and goal of improved family success.

Our Tribes believe in Self Governance and have been at the forefront of this effort in Indian Country. It is a major element in our Tribes and guides many decisions. Therefore, we supported and acted on the opportunity for Tribal TANF.

At the time of case transfer from Lake County, Montana, about 20% of the county caseload was being labeled by the county workers as being difficult to work with or being intentional program violators (IPV's). All of the IPV's were single moms with small children. Based on this type of stereotyping, we knew that the Tribes would better serve our Tribal members and small children and we were correct.

In October of 1998, CSKT began the transition to a tribally-managed TANF program. The transition followed months of internal analysis and preparation including an estimated 21 draft plans before the actual first TANF plan was formally approved for implementation.

At the inception of our Tribal TANF program, CSKT assumed responsibility for the Indian portion of the Lake County caseload (49.5%). We took over 180 cases, including 637 adults and children. The majority of the cases transferring were single moms with no transportation, limited literacy skills, no high school diplomas, substance abuse issues and small children. At start-up of Tribal TANF, our unemployment rate was 48%¹.

A major reorganization occurred when the Tribes created the Department of Human Resources Development, and as a result we placed a top priority on intensive employment and training for transferred TANF families.

CSKT recently submitted the second TANF plan for a second three-year period. It was approved and we are continuing to refine our efforts to facilitate family stability and self-sufficiency. We, like our clients, are a work in progress.

CSKT TANF Program

Our Strengths

Leadership, local preparation and commitment to families

Within our Tribal organization, there is an administrative team designated to work closely with the Tribal Council on coordinating input during times of major program changes. Our internal program analyst, Anna Whiting-Sorrell, spent countless hours evaluating the benefits of TANF, drafting, and consistently seeking leadership support. A working team of approximately 15 individuals was assembled to evaluate the pros and cons of implementing a TANF program, assisting the program analyst in the drafting of a comprehensive plan. Our Tribal Council continues to take a leadership role supporting the program direction enacted earlier. Solid planning and consistent communication with service deliverables helped our leadership make the decision to move forward and take over TANF.

The same team evaluated the supportive services needed to support a family during the transition to self-sufficiency including food stamps, Medicaid, the Low Income Home Energy Assistance Program (LIHEAP), childcare, employment and training services, and vocational rehabilitation services. Once these analyses were complete, the Tribes reorganized and pulled services together on behalf of families. Reorganizing services and changing long-standing organizations is a tough political decision in any organization, but the Council's commitment to the families was a guiding principal. Our Tribal Vice Chairman, Jami Hamel, participated in the negotiation process and was able to facilitate the organizational change.

In this manner, the CSKT Tribes took advantage of the opportunity for TANF reorganization and created a department where the majority of the supportive services can be authorized immediately. There are very few "service coordination" issues with the department as created.

We have good coordination, full service integration and streamlining of administrative requirements. This change in service approach would not have occurred without the leadership of the Tribal Council.

¹ BIA Northwest Labor Force Report – 1997 - 1999

Service approach

A report prepared by Eddie F. Brown, Washington University, on Welfare, Work, and American Indians; The Impact of Welfare Reform dated November 27, 2001, identified critical supports that are necessary for welfare reform success in Indian Country. The three critical supports are 1) Income support and support services; 2) Job skills and training; and 3) Employment.

1. **Income support and support services:** The coordination of those services that families need to succeed while seeking employment and participating in training. CSKT reorganized at the time of TANF start up to provide these services on site in a coordinated manner.
2. **Job skills and training:** For CSKT, Tribal TANF families have the top priority for job skills development and training. We offer adult driver's education, adult basic education, computer literacy and enhancement training, childcare provider training, truck driving training, hospitality and hotel training, etc.

Our job skills and readiness training takes a full family focus including Alcohol Related Birth Injury (FAS/FAE) assessments, training in personal health, crisis management, interviewing skills, where to apply for a job, what resources are available for family support, budgeting and finance experience, personal growth, etc. The true goal is "healthier families and healthier communities". We take an approach of resource enhancement and asset development not limited to financial resources. We encourage development of mental and emotional resources and support systems, and work to eliminate poverty and move families from poverty to middle class, etc.

3. **Employment:** On a weekly basis we monitor the local jobs advertised within the Tribal structure and those advertised at the local job service. We have two years' worth of local job information/advertisements as well as the job information at the State level. We study the information, design training programs, and target those areas where there are jobs.

Partnerships and Collaborations

A strength of our program is the ability to partner with other state, federal and Tribal agencies in cost-sharing and collaborating on projects that benefit TANF families. Our local Tribal housing authority has contributed funding for two school-based daycare centers in high need areas based on the requests of the TANF agency as well as the partnership with the school system.

In this manner, the TANF agency can act as a resource combining and identifying funding for an outcome to benefit TANF clients. This is good for the school, for childcare and for employment and training needs. Parents cannot work without childcare.

Seeking New Resources for TANF families

An additional strength has been our ability to seek new resources for TANF eligible and at-risk families. On our reservation, 80% of our jobs require technology experience and we have been successful at creating a mobile computer lab that can be driven into rural housing areas so parents without transportation can work on a computer and get training. This is called the "COOL BUS" and is supported by the college, local tribal housing, DHRD, and the County welfare program. Most recently we were awarded Department of Education funds for "computer technology centers" to continue the mobile training lab.

The computer-training program is part of job readiness and counts towards the required TANF work hours.

We have taken the position that grant writing and acquiring new resources (new funding to benefit the population) is part of economic development in Indian country.

Focus on the Future and Prevention

Our program believes that TANF's greatest accomplishment is in providing the opportunity for change in the lives of children.

We encourage parents to get their children to school each and every day and we provide an incentive for perfect school attendance for children who are part of a TANF family. We require school report cards as part of the information necessary to remain on TANF. If a child's school attendance drops, our TANF plan allows for a penalty on the parents.

We provide literacy-based materials (free books) to all TANF families, as we know the importance of reading and writing as part of school success and later life success. We participate in a summer feeding and reading program where meals and books are transported to rural housing areas benefiting TANF families and children.

Additionally, we place a priority for youth employment on TANF youth and or youth involved in foster care. In this manner, we can provide a successful employment experience for youth where there may not be a close "working role model" for that youth.

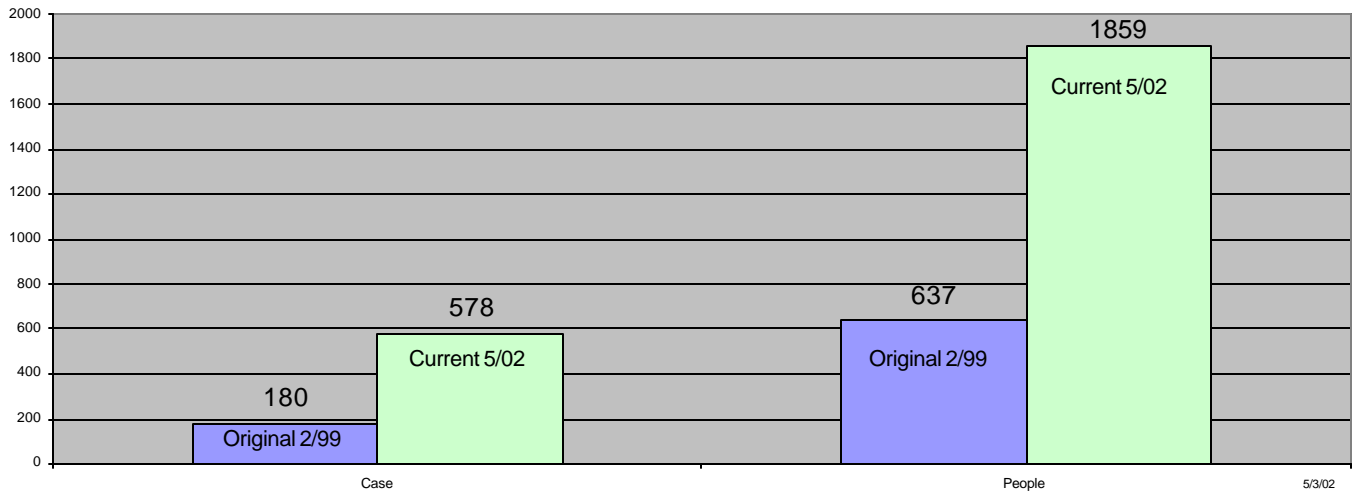
Our approach is holistic and forward thinking. In some cases the greatest benefit may be to the next generation.

Our Caseloads, Outcomes, and Employment

We have had many successes, but we are fundamentally overextended – the resources available are not adequate for the caseload we handle. The issue of caseload increases is critical when you consider that the Tribes do not qualify for the same type of funds that the States qualify for (performance, high growth, contingency). We are held to the same work standards with less available funding. Legislation should ensure that there is equity between state and tribal TANF programs.

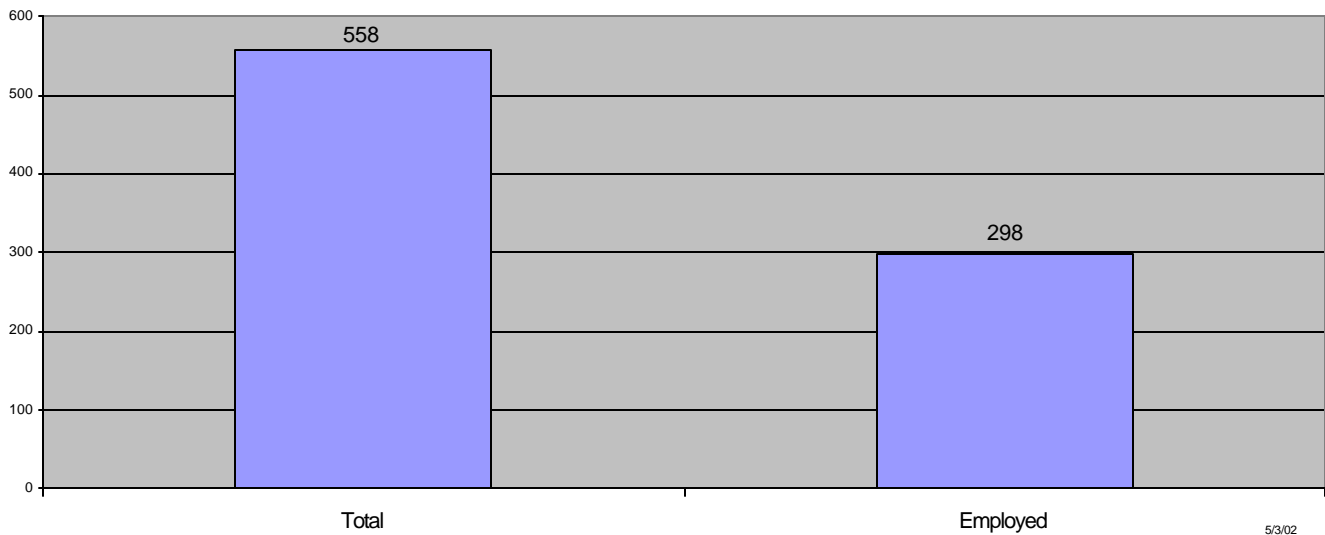
The chart on the next page is a caseload comparison for original caseload transfer from the State of Montana (180 cases originally transferred) and the total unduplicated caseload to date (578 total cases). This illustrates the caseload increase for CSKT. We have increased from 637 people to serving 1,859 people (children and adults). The majority are single parent households.

CSKT Original Case Transfer From The State In 2/99 And Current Unduplicated Cases 5/02



While we have been relatively successful with employment, the following charts reveal that the majority of the clients need the assistance of a subsidized employment relationship in order to find employment.

CSKT DHRD Unduplicated Closed Cases

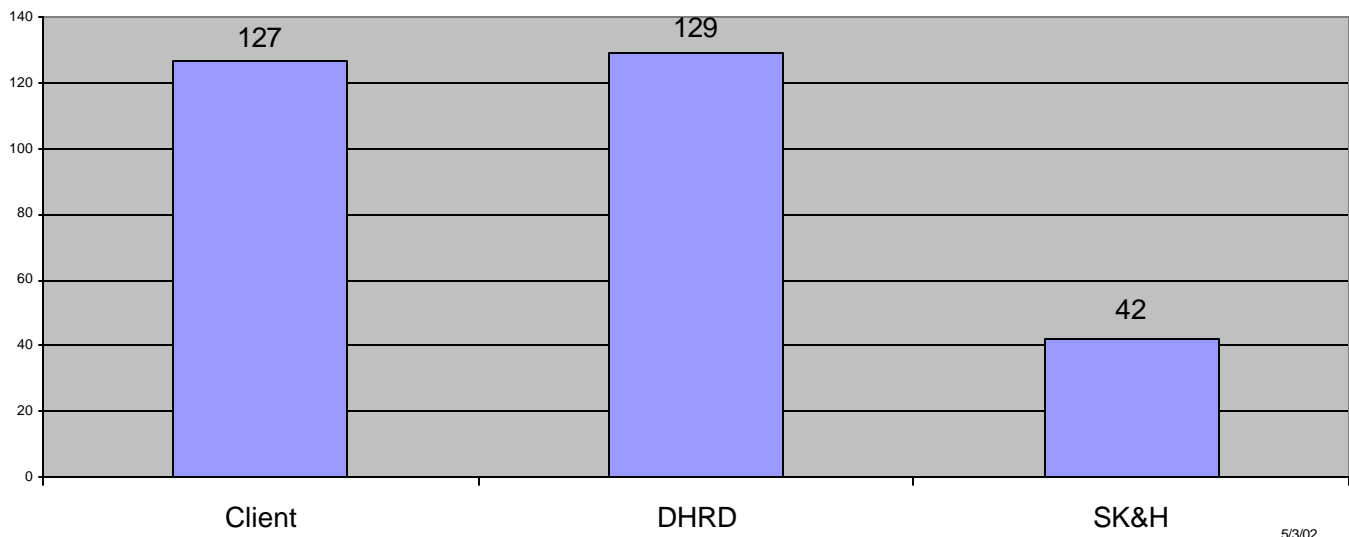


Total unduplicated CSKT caseload to date and those cases that closed due to finding employment. Of a total of 578 cases, 298 have closed due to finding employment.

The following chart illustrates employment following an employer incentive offered by CSKT DHRD and by CSKT S & K Holding².

² The Tribes are a WIA service provider and S & K Holding was a successful applicant for a welfare -to-work grant for facilitating welfare reform. Most clients (a total of 171) required some employer incentive for finding a job. In the other cases, CSKT DHRD provides an incentive for clients to find their own employment.

CSKT Case Closures by Employment Effort



For 298 case closures due to employment, compares assisted employment efforts (DHRD or S & K Holding) and those cases that closed due to securing their own employment and thereby qualified for an incentive for finding their own employment.

When considering the resources necessary to facilitate employment on “high unemployment - reservation areas”, the key is additional funds for employment and training and employer incentives which can also be critical to successful economic development.

The graph below illustrates the number of cases that transferred originally in October 1998 (first benefits issued in Feb. 1999) to Tribal management and the number of those original cases still open and receiving benefits (180 original transfers from the State and 62 of those remain open). These 62 are a part of our current total of 578 open cases – we have dealt successfully with some of our original cases, but our caseload as a whole has increased dramatically.

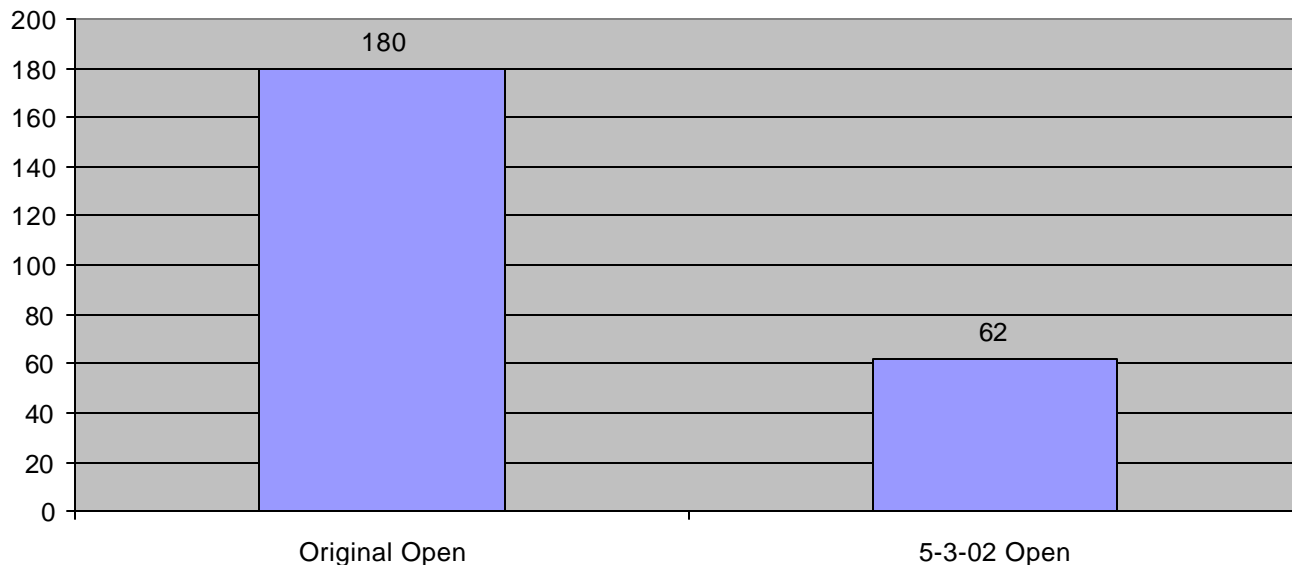
The intensive needs³ illustrated by our CSKT case study still exist even though we have been somewhat successful in our service approach.

For these 62 original transfer cases still remaining open, the following is needed: intensive supportive services, substance abuse treatment and counseling, mental health counseling, drivers education, work towards a GED, advocacy within legal systems, coordination with the legal system, and screening for and identification of learning disabilities are needed to overcome months and generations of welfare dependence.

Most importantly we need jobs. Individuals cannot leave welfare if there is no employment.

³ Domestic violence counseling, housing advocacy, mentoring, substance abuse counseling, supportive services, extended work experience contracts and opportunities for change, support for TANF mothers in advocating for their children in school systems issues,

**CSKT Original case transfers from the State of Montana and number of
TANF cases still open from the original group**



Montana's Low Wages & High Unemployment

Montana is ranked 48th in the United States in terms of unemployment; in some counties the unemployment rate is 5-10%, and on the reservations, the unemployment rate has been tabulated as high as 77%.

Earnings

The table below, adapted from a report by Abt Associates, Incorporated [hereinafter "FAIM Report"], as part of the Montana Families Achieving Independence in Montana (FAIM) evaluation reports earnings in the year 2001 on Reservations.⁴

Earnings in the year 2000 on Rural Reservations⁵

Outcomes	Reservations
Amounts for respondents with earnings:	
\$2,000 or less	4.0%
\$2,001 - 4,000	7.2%
\$4,001 – 6,000	14.0%
\$5,001 – 8,000	10.4%
\$8,001 – 10,000	13.1%
More than \$10,000	51.3%
Sample Size	108

⁴ Abt Associates, Inc., Montana FAIM Evaluation, December 2001 (287 reservation respondents).

⁵ Abt Associates, Inc., Montana FAIM Evaluation, December 2001, adapted by Abt Associates, Inc from a survey of current and former public assistance recipients in Montana conducted between April and August 2000.

According to a DPHHS report on unemployment on Montana Indian Reservations,⁶ Montana has the lowest wage per job in the nation. The income in Montana is low statewide; however, Montana's reservations include some of the poorest areas in the nation.

One of the goals of TANF is to promote as many individuals and families within the identified areas to a position of financial self-sufficiency. Individuals involved in the program identified (self-reported) their level of achievement with the transition to self-sufficiency⁷. Clearly more than half of the respondents need additional support.

Financial Self-Sufficiency of FAIM Survey Respondents on Montana Reservations⁸

Outcome	All Montana Reservations
Self Sufficient ⁹	5%
Nearly Self Sufficient ¹⁰	37%
Not Self Sufficient ¹¹	58%
Sample Size	287

Clearly, the Native American population in the State of Montana (generally) has not yet fully benefited from the efforts of welfare reform.

Unemployment

Job availability and unemployment on the reservations are integral to the issue of self-sufficiency and success in welfare reform. The below table shows the astronomical unemployment rates on Montana's Indian reservations.

Tribe	Rate
Blackfeet	70%
Salish and Kootenai	41% ¹²
Chippewa Cree	77%
Crow	61%
Gros Venture and Assiniboine	70%
Northern Cheyenne	65%
Sioux and Assiniboine	63%

While we have achieved limited success in employment, our employment resources are extremely inadequate when you consider 41% unemployment and joblessness rates on the Flathead Reservation.

We favor the approach of Senator Baucus' S. 2484, the American Indian Welfare Reform Act of 2002, which would bring more Job training funds through a new Tribal Employment Service Program (TESP).

⁶ DPHHS report on unemployment on Montana's Indian Reservations, February 2002, as reported in the Missoulian Newspaper.

⁷ Abt Associates, Inc., Montana FAIM Evaluation, December 2001, adapted.

⁸ Abt Associates, Inc., Montana FAIM Evaluation, December 2001, adapted.

⁹ "Self reliant, with no money or other support from agencies."

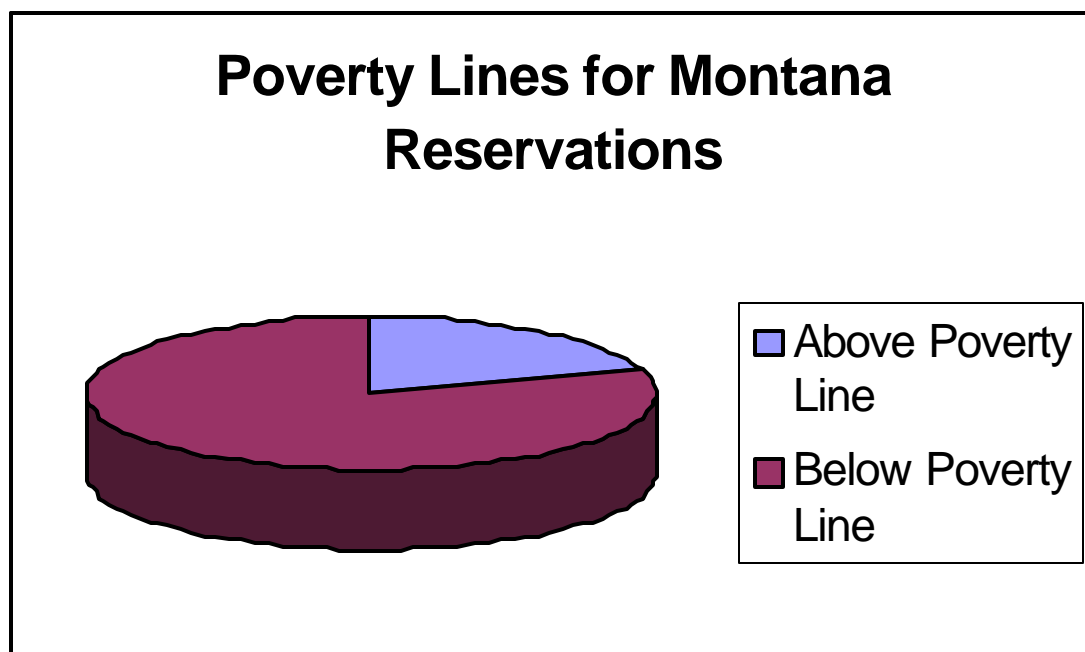
¹⁰ "No cash resources from agencies, but limited support from agencies" (for example food stamps).

¹¹ "Reliance on money, food stamps and other resources available through agencies."

¹² At the time of Tribal TANF takeover the unemployment rate was 48% on the Flathead Indian Reservation

Additionally, we favor S. 2484's reduction of the TANF joblessness rates to 20%.

The graph below indicates the poverty lines for Montana's reservations, where it was found that on Montana Reservations 80% of the people live below the poverty line as defined by the Federal Poverty Guidelines.¹³



A CSKT Case Study on Welfare Reform

It is important to look at the needs of recipients when evaluating both the successes and failures of the present system and how the system might be changed to achieve greater success for all participants. This case study illustrates the importance of allowing Tribes the option to negotiate certain provisions of the TANF program including the option to start individual timeclocks¹⁴ over at the inception of Tribal TANF. If this option did not exist, this case study would not be a success.

S. is an enrolled Tribal member of the Confederated Salish and Kootenai Tribes. She was an original case transfer when the Tribes took over 49.5% of the county's caseload in October of 1998. If she was limited to merely five years (60 months) in which to make major life changes, she would not be the success story she is today.

She is a single parent, over age thirty, has three children of her own, but has always taken care of at least four other children (extended families – nieces and nephews) in her home.

¹³ DPHHS report on unemployment on Montana's Indian Reservations, February 2002, as reported in the Missoulian Newspaper.

¹⁴ Time clocks relate to the lifetime limit for welfare. Presently there is a life time limit of 60 months on welfare. With the illustration above, the individual was able to start her lifetime clock over and thereby achieve unsubsidized employment through the efforts of a more responsive and refined Tribal service delivery system. When you total the number of months she received assistance over a period of 97 months and then achieved permanent employment with benefits. When the Tribes negotiated for Tribal TANF in October 1998, 180 cases were allowed to start their welfare clocks over.

S. had issues with substance abuse and needed chemical dependency (CD) treatment. At one point she participated in a 4-week inpatient treatment for her addictions and later in a 12 week outpatient treatment program incorporating substance abuse issues, job preparedness and crisis management.

She was not successful at either CD treatment approach until she got in trouble with the law (felony conviction) and needed employment and/or work experience as a condition of parole and probation.

At that time, she came back to work at the Tribal welfare program in a work experience capacity. She had worked with us previously in a similar capacity but was unable to make a daily commitment to work and left. Now she was in a position that if she did not participate in work, she could lose her family and her freedom.

Our assessment process indicated that she needed the following: ongoing CD interventions, mental health counseling, adult driver's education including a license, car repairs and insurance, a home, and a flexible work schedule for counseling and for her children who needed her daily support at school.

She had the following challenges: single parent status, a victim of domestic violence, homeless, without adequate food, a felon, no transportation, no consistent work history, a general lack of motivation and lack of family support systems including lack of consistent working role models.

We brought S. back to work at the main DHRD office in a clerical work experience position. She was expected to arrive to work on time, complete 8 hours of work and remain a positive focused and willing worker. She was trained in the filing systems as well as general client intake and eligibility and general receptionist duties.

Her work schedule was flexible to allow her time during the day to see both her CD counselor and her probation officer. In addition, her children were allowed to come to work until school started and she was then able to transport them to school.

During the course of over a year she accomplished the following: receipt of a drivers license, receipt of a properly licensed and repaired car with insurance, weekly visits to a probation officer with little or no difficulties, weekly CD counseling sessions, and computer literacy courses at the local CSKT computer training lab.

She was trained by our office on a daily basis and was dispatched out of our office like a temp worker thereby gaining additional work skills in other Tribal Departments. She became known as a willing worker within our department.

She needed intensive support to intervene in a housing matter when her children were involved in a violent situation and we went to the Housing meeting with her and encouraged the housing program to allow her and her children to move to a safer place. We wrote letters of support for her children when intervention was needed at the local school. We consistently supported her transition.

We were able to mentor her on a daily basis and helped her celebrate one year of sobriety by having cake and ice cream in our office with her and other clients.

On May 1, 2002, she achieved her dream and obtained a full-time job with benefits at the Tribal complex. If S. had been cut off after five years, she would not have succeeded.

The success of S. was contingent on the following:

- Availability of substance abuse treatment and weekly counseling,
- Opportunity to be mentored by caring professionals on a daily basis,
- Access to car repair, insurance and adult driver's education,
- A flexible work schedule,
- Opportunity to celebrate small successes with peers,
- Availability of a case manager who advocated for her with other agencies,
- Intensive supportive services,
- Ability to start her TANF clock over, and the
- Opportunity to be served by a Tribe invested in positive solutions.

CSKT Recommendations

The CSKT recommendations for TANF improvements are based on our experience administering Tribal TANF and the identification of critical supports necessary for Indian Tribes to be successful.

TANF formula grants.

Inflation Adjustment TANF formula grants need to adjust for inflation.

If there is no formula adjustment for inflation, it is similar to a 25% reduction of overall budgets.

Tribal TANF Supplemental Grants.

Population Adjustment Population growth among Indians exceeds the national average – it was at least double the national average during the 1990's – and tribal TANF allocations are based upon 1994 population figures.

Family Size Adjustment Tribes must have access to funds to compensate for “larger than average” families. If not, the Tribes are at a disadvantage and could run out of funds.

Tribal TANF High Performance Fund and Contingency Fund Access

Equitable Access Tribes must have equitable access to the same sources of funding as states do, including performance and contingency funds.

There is clear disparity of funding presently between states and Tribes. The disparity is a disincentive to Tribes aspiring to administer a TANF program, and is grossly unfair if not downright racist. This must be corrected.

The American Indian Welfare Reform Act offered by Senator Baucus provides for Tribal access to these funds, and we are pleased to see that he has recognized this problem and proposed a method to resolve it..

TANF and Tribal NEW carryover funds

Eliminate Restriction Current restrictions on the use of “carryover” TANF funds should be eliminated, permitting states (and Tribes) to spend prior year TANF funds with just as much flexibility as current year TANF funds.

We favor the Tribal Employment Services Program consolidation considered within the American Indian Welfare Reform Act offered by Senator Baucus.

Economic Development

All the job training in the world is useless if there are no jobs. There must be a substantial increase in employment and training funds for Indian country as well as a general economic stimulus package. Welfare reform will not be successful without economic development. Reservation areas with joblessness rates of 41% to 70% desperately need economic development.

There must be consideration for an incentive for non-Indian owned businesses to purchase goods from Indian owned businesses. This would create opportunity for expansion of Indian owned businesses that are more willing to hire welfare recipients.

An additional economic development component could be grants and or bonuses for states (and Tribes) for working and securing businesses to locate on reservations where there is high unemployment. Montana does not even identify the tax incentives for businesses to locate on Indian Reservations.

Tax incentives for businesses to hire Tribal members should be available. This could be a component of the economic hardship provision and it could apply in areas where the joblessness rates for Tribes are greater than 20%. It could also be an expansion of the work opportunity tax credits. A tax credit could be established for Indian-owned businesses (CSKT’s S & K Electronics recommends a marketing tax credit – the company that buys from the Indian owned business gets the credit).

We fully support any economic development initiatives. Senator Baucus’s American Indian Welfare Reform Act begins this dialogue and provides for expanded Tribal authority in critical areas (tax exempt private activity bonds).

Joblessness Rates

CSKT favors the reduction of the joblessness rates to 20% for the new welfare reauthorization. The unemployment or joblessness rate for each reservation should be defined by the BIA Labor Force Report, DPHHS report or a local Tribal entity (or a combination).

It is simply unworkable at the present time with the local State of Montana Polson Job Service (division of DOL) reporting a 5.4% unemployment rate in March 2002 and DPHHS reporting a 41% unemployment rate in February 2002 for the same area (Flathead Indian Reservation). Tribal members are generally not welcome in the local job services offices and there is a tendency to refer more Tribal members to CSKT DHRD than the other way around. How joblessness is determined must be addressed for this provision to be successful. If left to the states, we will be left with local State of Montana Job Service statistics that are inaccurate and do not reflect or include the Tribal population.

Job Access and Reverse Commute Grants

A lack of transportation often hinders tribal economic development. To help address this need, tribes would be made directly eligible to receive Job Access and Reverse Commute grants from the federal Department of Transportation, which would permit tribes to pursue innovative TANF strategies around transportation. The required Tribal match should be waived for high poverty areas or areas of high unemployment.

Tribal Job Training Programs

Consolidating the Tribal NEW program with the tribal Welfare-to-Work grantees could create a new Tribal Employment Services Program (TESP). It would be funded at \$37 million annually and distributed to current Tribal NEW and Welfare-to-Work grantees as well as new applicants. TESP funds could be used for employment training efforts for those on, or at risk of being on, public assistance. Tribes could also use the funds to assist non-custodial parents of children on or at risk of being on, public assistance.

Tribal NEW funds have been frozen for years – CSKT would like to see a provision for adjustment for inflationary increases.

Tribal Child Care

The tribal set-aside within the Childcare and Development Block Grant (CCDBG) needs to be increased to 5% for Indian Tribes. The American Indian Welfare Reform Act introduced by Senator Baucus accomplishes this.

Food Stamps and Medicaid

Clear authority for direct funding to Tribes should be provided in both the food stamps and Medicaid programs. These services are critical for long-term success of TANF and other needy families. CHIPS eligibility determinations should be included as well.

Recent and ongoing documentation verifies that Tribal families are underrepresented in both the Food Stamps and Medicaid programs. These programs are critical welfare support programs and their potential for positive impact on Tribal families can not be ignored. Tribes have the capacity and the desire to administer these services. The required matches for administering these programs need to be waived for Tribes with high poverty and unemployment rates.

TANF and Substance Abuse Issues

Addressing substance abuse issues is critical to long-term welfare and work force development success. On our reservation, the problems with substance abuse can be overwhelming. Funds should be set aside for TANF Tribes for SAMSHA grants to deal with the issues of substance abuse prevention, treatment and aftercare for TANF populations.

Access to other Training funds

On our reservation, 80% of our jobs requires computer technology familiarity and some basic technology skills. The President's budget proposes eliminating the Computer Technology Center's (CTC) program (Dept. of Education). These grants were designed for rural areas like Montana. CSKT competed for and received a \$295,000 grant for technology education for families. Congressional support of this program is critical for rural areas where access to technology is limited.

Importance of Child Support Activities to Tribal TANF

The opportunity for Tribes who operate TANF to compete for child support enforcement funds must be increased, or tribes must be direct funded. A set-aside or a OCSE direct funding option for Tribes who do Tribal TANF would be helpful. The federal regulations need to be finalized for Tribes to compete for OCSE funds. At least 50% of all TANF mothers could benefit from improved local child support collections.

Matching Funds (Maintenance of Effort (MOE))

Tribes that have assumed TANF authority and responsibilities have also assumed the problem of obtaining matching funds from the states. Only one state provides 100% matching funds to Tribes. Some states do not provide any matching funds.

The requirement for a match needs to be federalized or an alternative offered to provide an incentive to a state where the state gets a higher credit for its match (if a state matches \$1.00 – it gets a credit on its MOE for \$2.00). The present system is simply not working and Tribes are again at a huge financial disadvantage. Ultimately Tribal families and children lose.

Thank you for considering our views and allowing us the opportunity to present testimony on this critically important issue.